REMARKS

Applicants thank the Examiner for the courtesies extended to Applicants' representative during the interview on March 14, 2008. During that interview, the rejections contained in the Office Action mailed on February 14, 2008, were discussed. The substance of the interview is incorporated into this response.

In the Office Action,[1] the Examiner rejected claims 1-27 under 35 U.S.C. § 112, second paragraph; rejected claims 1, 13, and 25 under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent Application Publication No. 2004/0128230 by Oppenheimer et al. ("Oppenheimer"); and objected to claims 2, 14, and 26 as being dependent upon a rejected base claim, but otherwise allowable. Applicants thank the Examiner for the indication of allowable subject matter.

Applicants respectfully traverse the rejections. However, Applicants amend claims 1, 2, 4, 7, 10, 13, 14, 16, 18, 22, and 25, and cancels claims 12 and 24 to expedite prosecution of this application, but without acceding to the outstanding rejections. Claims 1-11, 13-22, and 25-27 remain pending and under examination.

I. Rejection Under 112, Second Paragraph

Applicants respectfully traverse the rejection of claims 1-27 under § 112, second paragraph, at least because claims 1-27 fully comply with the requirements of § 112. Regarding claims 1, 13, and 25, the Examiner alleges that "Applicant has failed to set a base guarantee fee;" regarding claims 2 and 14, the Examiner alleges that the performance index, price reset frequency, and performance measurement should be

[1] The Office Action contains a number of statements reflecting characterizations of certain art and claims. Regardless of whether any such statement is identified herein, Applicants decline to automatically subscribe to any statement or characterization in the Office Action.

removed; regarding claims 10 and 22, the Examiner alleges that there is insufficient antecedent basis for the "future guarantee fee" limitations; and regarding claims 12 and 24, the Examiner alleges that "[t]he term 'insufficient' in claims 12 and 24 is a relative term which renders the claim indefinite." (Office Action at 3). Without acceding to the rejections, Applicants amend claims 1, 2, 10, 13, 14, 22, and 25, and cancels claims 12 and 24 to obviate the rejections, as agreed with the Examiner during the interview. Applicants therefore respectfully request the Examiner to reconsider and withdraw the rejection of pending claims 1-11, 13-23, and 25-27 under § 112.

II. Rejection Under 35 U.S.C. § 102(e)

Applicants respectfully traverse the rejection of claims 1, 13, and 24 under 35 U.S.C. § 102(e) as being anticipated by Oppenheimer. To properly establish that Oppenheimer anticipates Applicants' claimed invention under 35 U.S.C. § 102, each and every element of each of the claims in issue must be found, either expressly described or under principles of inherency, in that single reference. Furthermore, "[t]he identical invention must be shown in as complete detail as is contained in the ... claim." M.P.E.P. § 2131, quoting Richardson v. Suzuki Motor Co., 868 F.2d 1126, 1236, 9 U.S.P.Q.2d 1913, 1920 (Fed. Cir. 1989).

Oppenheimer does not disclose each and every element of Applicants' claimed invention. Claim 1 calls for a method of structuring a performance-based participation certificate contract, comprising the steps of identifying a pool of assets; identifying parameters for the assets; establishing a guarantee fee for a security; identifying a manner of securing the guarantee fee for the contract; issuing the security reflecting the parameters of the assets; measuring performance of the assets using a performance

index; and resetting the guarantee fee for the security, based on realized performance of the assets, once every predetermined time period. Oppenheimer fails to teach or suggest the combination of features recited in claim 1.

Oppenheimer discloses: "at the time a cash commitment or MBS deal is made, a certain level of credit risk is assumed when determining the cash price or MBS guarantee fee. Later, when loans are actually delivered, the true risk level is identified. If the cash price or MBS guarantee fee does not account for this actual level of risk, a price adjustment is made." (Oppenheimer, paragraph 0052). Oppenheimer therefore allows a guarantee fee to be established at a time of commitment or making a contract, and may make an adjustment upon delivery of the loan. However, Oppenheimer does not "measur[e] performance of the assets using a performance index" after "issuing the security," as required by claim 1. Instead, Oppenheimer only performs a price adjustment once, at the time of delivering the loans, and therefore fails to monitor performance of assets after issuing a security. And, Oppenheimer is silent on using a "price index" to measure performance. Accordingly, Oppenheimer does not anticipate claim 1.

Independent claims 13 and 25, although of different scope than claim 1, patentably distinguish from Oppenheimer for at least the same reasons as claim 1. Applicants therefore respectfully request that the Examiner reconsider and withdraw the rejection of claims 1, 13, and 25 under § 102(e).

III. Claims 10 and 22

Finally, Applicants note that they have amended claims 10 and 22 to include all of the features recited in independent claims 1 and 13, respectively. Applicants

respectfully request that the Examiner allow claims 10 and 22 at least for the same reasons as independent claims 1 and 13.

IV. Conclusion

In view of the foregoing amendments and remarks, Applicants respectfully request reconsideration of this application and the timely allowance of the pending claims.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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By: _____
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